



JOSEPH R. BIDEN, III
ATTORNEY GENERAL

DEPARTMENT OF JUSTICE
820 NORTH FRENCH STREET
WILMINGTON, DELAWARE 19801

CONTACT JASON MILLER
PUBLIC INFORMATION OFFICER
PHONE (302) 577-8949
CELL (302) 893-8939
Jason.Miller@state.de.us

Media Release

June 15, 2010

Attorney General's Office secures multi-count indictments in investment fraud schemes *Separate ponzi scheme and real estate scam defrauded investors out of nearly half a million dollars*

Wilmington, DE – Today, the Attorney General's Securities Unit announced that it has secured indictments resulting from two separate investigations charging Thomas Dolby and Robert Smithfield with multiple counts of securities fraud, theft, and other related crimes. It is alleged that in total the men defrauded investors out of more than \$460,000.

"The Delaware Department of Justice is standing up for Delaware's investors by rigorously enforcing our Securities laws," stated Securities Commissioner Peter Jamison. "We encourage investors who believe they may be a victim of investment fraud to contact our Securities Unit at (302) 577-8424."

The first indictment charges Thomas Dolby, age 38, of Smyrna, DE, with securities fraud, theft, and racketeering. It alleges that Dolby solicited funds that he claimed would be invested in a real estate development project in Turkey. A complaint filed with the Attorney General's Office by a Delaware investor initiated an eight month investigation by the Securities Unit, which revealed that Dolby took in more than \$400,000 from six investors in two states. The indictment alleges that the funds were not invested as promised, but instead were retained and used by the defendant for his personal expenses. Investigators also learned that Dolby was not properly registered to sell securities in Delaware, and the investment was not registered with Delaware officials as required by state law.

A separate Securities Unit investigation has also led to an indictment charging Robert Smithfield, age 49, of Mountville, PA, with securities fraud and theft. According to the indictment, Smithfield operated a complex ponzi scheme in which he solicited funds from individuals to invest in a company that that he had formed. In order to continue the scheme, Smithfield used funds he secured from investors to make promised interest payments to earlier investors in the scheme. Several investors were swindled, including two Delaware residents who were defrauded of more than \$60,000.

The Attorney General's Securities Unit enforces the Delaware Securities Act, which regulates the sale of investment products and the activities of investment professionals. The Unit investigates and prosecutes securities fraud and licensing violations by investment brokers, advisors, and firms. Delaware investors are encouraged to report suspected incidents of investment crime and fraud by calling the Attorney General's Securities Fraud hotline at (302) 577-8424.

The Delaware Department of Justice reminds the public that an indictment is merely an allegation and is not evidence of guilt. Defendants are presumed innocent and are entitled to a jury trial at which the state bears the burden of proving each charge beyond a reasonable doubt.

###